

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Handloom Industry – Providing of Government guarantee for Rs.100.00 Crores for a further period of 3 years with effect from 01.04.2012 to 31.03.2015 in favour of Andhra Pradesh State Cooperative Bank Limited (APCOB) towards operating the Cash Credit limits by the Andhra Pradesh State Handloom Weavers' Cooperative Society Limited (APCO) – Amendment - Issued.

INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Ms.No. 119

Dated:22-10-2013.
Read the following:

1. G.O.Ms.No.144 Ind. & Com.(Tex.) Dept., Dt.19.10.2012.
2. From the Director of Handlooms and Textiles and Apparel Export Parks, A.P., Hyderabad, Ir.RC.No.12510/11-C, Dt.12-09-2013.

ORDER:

In the ref. 1st read above Government have provided the Government Guarantee for Rs.100.00 Crores (Rupees Hundred Crores only) (i.e., Rs.80.00 Crores for cloth and Rs.20.00 Crores for yarn) for another period of **3** years with effect from **01-04-2012 to 31.03.2015** in favour of Andhra Pradesh State Cooperative Bank Limited (APCOB), Hyderabad, towards operating the Cash Credit limits by the Andhra Pradesh State Handlooms Weavers' Cooperative Society Limited (APCO), so as to enable the APCO to clear the yarn and society payments etc., and APCO shall pay 2% Guarantee Commission to the Government, subject to condition, that the Guarantee is only on principal amount.

2. in the ref. 2nd read above, the Director, Handlooms & Textiles and Apparel Export Parks, Andhra Pradesh, Hyderabad has stated that the VC & MD, APCO has informed that the APCOB is allowing APCO to avail Cash Credit limits for Rs.90.00 Crores only i.e., Rs.80.00 Crores for Cloth and Rs.10.00 Crores for yarn, on the plea that the yarn coverage is not reaching Rs.20.00 Crores on average for successive two months as per NABARD norms. Thereby, APCO is unable to avail Rs.100.00 Crores cash credit limit even though the Guarantee of the Government is for Rs.100.00 Crores. The APCOB is not allowing APCO to avail the shortfall coverage of Rs.10.00 Crores pertaining to yarn transactions, though the coverage of cloth is over and above Rs.100.00 crores. They have got orders for bulk supplies of Uniform Cloth to Rajiv Vidya Mission and other Government Departments accordingly and prepared an Action Plan to execute the orders to an extent of Rs.500.00 Crores to Rs.600.00 Crores during this year and requested that there is a need to allow APCO to avail the Cash Credit limits of Rs.100.00 Crores to the fullest extent and requested to accord permission to avail cash Credit Limit of Rs.100.00 Crores in full with due modification i.e., Rs.90.00 Crores towards cloth transaction and Rs.10.00 Crores towards yarn to provide continuous work to the weaver members. The Director, Handlooms & Textiles and Apparel Export Parks, Andhra Pradesh, Hyderabad has, therefore, requested the Govt. to accord the above permission to avail cash Credit Limit of Rs.100.00 Crores in full i.e., Rs.90.00 Crores towards cloth transaction and Rs.10.00 Crores towards yarn which will be with in the total sanctioned limit of Rs.100.00 Crores to provide continuous work to the weaver members.

(PTO)

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3. Government, after careful examination of the proposal, hereby issue the following amendment to the lines 1 to 4 of para 6 of the orders issued in the reference 1st read above:-

Existing	Amendment
6. The Government, after careful examination of the proposal, have decided and accordingly hereby provide the Government Guarantee for Rs.100.00 Crores (Rupees Hundred Crores only) (i.e., Rs.80.00 Crores for cloth and Rs.20.00 Crores for yarn) for another period of 3 years with effect from 01-04-2012 to 31.03.2015 .	6. The Government, after careful examination of the proposal, have decided and accordingly hereby provide the Government Guarantee for Rs.100.00 Crores (Rupees Hundred Crores only) (i.e., Rs.90.00 Crores for cloth and Rs.10.00 Crores for yarn) for another period of 3 years with effect from 01-04-2012 to 31.03.2015 .

4. All the remaining part of the G.O.Ms.No.144 Ind. & Com.(Tex.) Dept., Dt.19.10.2012 shall remain unchanged.

5. This amendment issues with the concurrence of Finance (Exp.I&C) Department, vide their U.O.No.24961/340/Exp. I&C/13, dated.27-09-2013.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SABYASACHI GHOSH
SECRETARY TO GOVERNMENT

To
The Director of Handlooms & Textiles and Apparel Export Parks,
Andhra Pradesh, Hyderabad.
The Vice-Chairman & Managing Director, Andhra Pradesh Handloom
Weavers Co-operative Society Ltd., (APCO), Hyderabad.
The Managing Director,
Andhra Pradesh State Co-operative Bank Limited (APCOB), Hyderabad.
The Chief General Manager,
National Bank for Agricultural and Rural Development (NABARD),
Hyderabad – 500 020.
The Accountant General, Andhra Pradesh, Hyderabad.

Copy to:

The P.S to Secretary to Chief Minister.
The P.S. to Hon'ble Minister for Finance.
The P.,S. to Hon'ble Minister for Handlooms and Textiles.
The P.S. to Chief Secretary to Government.
The Finance (Exp.I&C) Department.
The General Administration (Cabinet) Department
The P.S. to Secretary to Government,
Industries and Commerce Department.

Sf/Sc.

// FORWARDED BY: ORDER//

SECTION OFFICER.